GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:5857
ANSWERED ON:31.08.2001
PRIVATISATION OF PSUS
HANNAN MOLLAH;RADHIKA RANJAN PRAMANIK

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Government have since decided to refer all documents regarding privatisation of public sector undertakings to the CAG after making transaction of disinvestment; and

(b) if so, the reasons for not referring the matter before the transaction?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCE (SHRI ARUN SHOURIE)

(a) Yes, Sir.

(b) The office of the Comptroller & Auditor-General of India audits the records of various Ministries/Departments of the Government after the transaction is completed. This audit is normally done after about a year of completion of the transaction. On special request, the CAG has agreed to audit all the disinvestment cases immediately after the disinvestment transaction is completed.It cannot be done before the completion of the transaction. However, in case of Air India disinvestment, the Government had approached CAG to agree to vet the valuation principles, before the transaction. CAG has not agreed to do so.